

## Pipeline extension would bring Marcellus Shale gas from northern Pa. to major Northeastern markets

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Construction of a branch line to move Marcellus Shale gas from Susquehanna and Broome counties to a major distribution network is expected to begin in late summer and be completed by year's end, according to developers.

The project, proposed by Laser Midstream of Houston, would connect gas fields in northern Pennsylvania to the Millennium Pipeline, which bisects Broome and Tioga counties and leads to major markets in the Northeast.

It also would service gas fields in southwestern Broome County, if and when they are developed.

The construction phase would last about 100 days and require between 120 and 150 workers, said Laser Midstream president Chip Berthelot. The project would employ between eight and 12 permanent workers.

It must pass some significant hurdles before construction can begin, however, including a permit from the New York State Public Service Commission, and a deal with landowners for easements.

The company expects to file a permit application for the New York part of the project in coming weeks, Berthelot said.

Roger Scott, head of a coalition of landowners along the pipeline route in Windsor and Susquehanna County, said talks with the company have been fruitful, but they are still in the early stages.

Laser is addressing concerns about how the pipeline will affect land. Some landowners, for example, have bluestone quarries which involve dynamite blasts that simply could not happen near a gas pipeline.

Others were worried about ecologically sensitive areas, and noise and disruption from a compressor

station planned at the Laser line's intersection with the Marcellus.

The company and the coalition are working on adjusting the route to accommodate different land uses, Scott said. Concerns about the compressor station are also being addressed with a buffer area.

"We didn't know what they were going to do or how they were going to do it," Scott said. "I think they were a little surprised dealing with issues they don't come across in Texas ... When we formed our group and started talking, things got a lot better."

Berthelot said he was "cautiously optimistic" about easement negotiations. "We're starting to ask about each other's children, so that's a good sign," he added.

While things have progressed, a year-end service date seems ambitious to Scott, especially considering a major point has yet to be resolved.

"I guess it depends on how motivated they are when it comes to talking price," he said.

### Necessary piece

The 30-mile Laser Midstream project, called the Laser Marcellus, would pass through the Pennsylvania townships of Great Bend, Liberty, Franklin, Silver Lake and Forest Lake, according to a proposal filed with the Pennsylvania Public Utility

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Commission. It also would serve drilling operations in the townships of Apolacon, Choconut, Forest Lake, Great Bend, Jessup, Liberty, Middletown and New Milford.

In Broome County, it would extend through Windsor for 9 miles, with a compressor station 3,000 feet from the Millennium connection, according to the proposal. The station would be built on a 40-acre lot, and include three 1,380-horsepower compressors to meet the line pressure of Millennium. It would also include an unspecified number of gas-to-liquid separators, scrubbers, liquid tanks, and dehydration equipment, according to the proposal submitted to the Pennsylvania commission.

The Laser project would be a significant piece of infrastructure in developing the Marcellus Shale, a massive natural gas reserve running under the Appalachian basin and southern New York.

While natural gas production is ramping up in northern Pennsylvania, environmental concerns over the type of drilling needed to tap the resource have led to a freeze on Marcellus permitting in New York. The state Department of Environmental Conservation is examining policy and issues related to water consumption and waste disposal in a document called the Supplemental Generic Environmental Impact Statement, expected to be released later this year.

## Getting closer

Completed last year, the Millennium Pipeline leads to major consumer markets in New York and New Jersey, and is considered a backbone to gas development in the Southern Tier.

Anne Dalton, a spokeswoman for the Public Service Commission, said the agency has not yet received the application and it would not comment on the prospects of any project before the commission has ruled. PSC staff generally works with developers to help them understand the application process, she added.

Once the application is received, it has to be reviewed to determine that it is complete, she said.

Laser executives got off to a rocky start in New York when they encountered angry landowners who felt they were being pressured.

Jim Worden, leader of a broader coalition of landowners surrounding Scott's smaller group, agreed relations between landowners and the pipeline company are improving.

"I'm impressed lately," he said. "They are listening to landowners' concerns and turning a negative issue into a positive one."



Work on the Millennium Pipeline project as seen from Route 26 in Union Center in 2008. (File photo)

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